

Arizona TANF Work Verification Plan

Arizona Department of Economic Security

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Overview

The Arizona Department of Economic Security (ADES) is responsible for the implementation of Arizona's State-operated Temporary Assistance for Needy Families (TANF) Program.

The TANF Cash Assistance Program is administered collaboratively in two Divisions within the Department. The Division of Benefits and Medical Eligibility (DBME), Family Assistance Administration (FAA) is responsible for the TANF eligibility determination and the Division of Employment and Rehabilitation Services (DERS), Employment Administration (EA) is responsible for the Jobs Program, which administers the case management and employment services.

In accordance with the requirements outlined in the Deficit Reduction Act of 2005 (DRA), ADES has developed the Arizona TANF Work Verification Plan, which is not applicable to federally recognized tribal TANF programs.

Historically Arizona has had a relatively strict definition of what counts toward the federally-defined activities. Therefore ADES does not anticipate the changes required by the DRA to have a significant impact to the program. In fact, the addition of allowing counseling and substance abuse treatment to count as job readiness will have a positive impact because it allows ADES to count clients in these activities toward the Work Participation Rate (WPR) for a limited time period.

Holding all Adults to Work Rate Requirements

A key goal of the TANF reauthorization requires all adults receiving TANF Cash Assistance to engage in work activities and move toward self sufficiency. In Arizona, adults receiving a TANF benefit, including those in two-parent families, work on increasing their level of self-sufficiency through participation in work activities. Although some may be exempt or deferred from participation for periods of time, all clients are encouraged to seek and maintain employment as quickly as possible.

Several of the new requirements in the interim final rule focus on requiring participation and counting clients in the work rate that may have been excluded in the past. For example, TANF reauthorization now requires states to count clients in separate state programs toward the WPR. In Arizona, the only separate state program (SSP) operated is for TANF cases that result in a grant amount below \$100. These cases are exempt from the TANF 60-month lifetime limit and do count toward the WPR. Therefore we do not expect this rule change to impact the Jobs Program or our work rate performance.

It appears that the directive of Congress to include some parents in child-only cases in the work rate is aimed at states that may have artificially created cases without adults that would otherwise be included in the Work Participation Rate calculations. Arizona utilizes a full-family sanction approach and there are virtually no adults who would then receive a payment on behalf of their children. There are, however, families on the Arizona TANF child-only caseload where a parent

of a child does reside in the household. In accordance with 45 CFR §261.2(n) (1) (iii), ADES will add all work eligible parents as required. Modifications to the computer system to accommodate this change are needed and targeted to be implemented by September 30, 2007.

Privatization of Case Management and Employment Services

Arizona state law required the ADES to privatize the Jobs Program case management and employment services during state fiscal year 2007. The process and implementation of the contract was delayed due to procurement issues identified in an earlier solicitation, the passage of the DRA, and issuance of the interim final rules. The ADES has now awarded the contracts to two nationally known contractors, Maximus, which will provide services for Arizona's Maricopa County, and Arbor Employment and Training, which will provide services to the balance of the state.

The ADES contracts clarify requirements based on revisions to the newly-established list of federally-defined activities and the verification process mandated by the United States Department of Health and Human Services (DHHS).

The Jobs Program will implement the new version of the Work Verification Plan (WVP). Due to the statewide transition to the private contractors some sections may need to be revised over the next year to accommodate these changes and incorporate recommendations from our contractors. ADES will use the amendment process as described in the interim final rule.

I. COUNTABLE WORK ACTIVITIES

Federally mandated work activities are the only activities considered in the calculation of Arizona's WPR. These include the two types of Federal Work Activities - **Core Activities** and **Supplemental Activities**. Arizona policy follows the Federal guidelines that Work Activities may be assigned separately or in combination. Supplemental Activities will count toward the Federal WPR only after the first twenty hours per week come from Core Activities.

A. Core Activities

Per federal requirements, Jobs Program participants are required to engage in a specified number of hours in core activities to count in the participation rate. Arizona will use eight of the nine allowable Core Activities to count toward the 20-hour per week requirement. A worksheet is provided to each participant that can be used to document and record the actual participation hours related to the assigned activity. This document is signed by the designated work activity supervisor/monitor to confirm the participant's activity participation and the document is returned to the case manager for review, storage and retrieval. The following Core Activities are used in Arizona.

Unsubsidized Employment

Describe the services or programs the State includes under the activity. (Services and programs must conform to the Federal Definition of the activity).

Unsubsidized employment includes all full or part-time paid employment in the public or private sector that is not subsidized by TANF or any other public program, including self-employment. Wages must meet or exceed State and Federal minimum wage requirements.

Describe how the State determines the number of countable hours of participation for the activity. If the State uses different methods for different services or programs within the activity the State should describe each.

The number of actual participation hours is determined by written evidence from the employer through pay stubs or other employer-produced documents substantiating the number of hours worked. As required, phone calls to the employers are used to verify a participant's hours of work and all pertinent information is appropriately documented in the case file.

Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.

Verification of the actual number of countable hours of participation is obtained through the receipt of pay stubs or other employer produced documents containing the participant's name, actual hours of participation, the name of the employer, and the name and phone number of the person verifying the hours. This includes recognized employment verification services such as TALX. These documents serve as the verification of the actual hours worked and are retained in the participant's case file. Verification obtained by phone as to the actual hours of work is documented and retained in the case file.

For self-employment, describe how the State counts and verifies the hours of participation. A State may not count more hours toward the participation rate for a self-employed individual than the individual's self-employment income (gross income less business expenses) divided by the Federal minimum wage. The State may also describe an alternative methodology to count and verify hours a client is engaged in self-employment.

The number of hours of self-employment counted toward participation is determined by calculating the individual's gross income, minus business expenses, divided by the Federal minimum wage. This verification process is the same process used by the Department during the determination of initial and continued eligibility for TANF Cash Assistance and includes the verification of gross income and business expenses.

If a State intends to project forward hours of participation based on current, documented, actual hours, explain how it will make this projection.

The State projects forward hours of employment for six months based on one full payment cycle/pay period that is representative of continuing circumstances. The hours are based on

evidence received and verified by the employer. When there is a change in the participant's actual verified hours, the hours are recalculated and a new six-month projection is applied. If the payment cycle/pay period does not represent continuing circumstances, actual hours are used rather than projecting hours. When the full pay cycle/ pay period represents weekly hours, the actual weekly hours are used for projecting. When bi-weekly hours are represented, the hours are divided by 2 to arrive at the average weekly hours used for projecting. When semi-monthly hours are represented, the hours are divided by 2.15 and the result is used for projecting. Because some weeks have more days in one month, the Jobs Program Automated System (JAS) includes the week in the calculation for the month in which the Friday falls.

Subsidized Employment

Describe the services or programs the State includes under the activity. (Services and programs must conform to the Federal Definition of the activity.)

Subsidized employment is paid employment in the public sector or private sector where the employer receives a subsidy from TANF or other public funds to offset the cost of wages and benefits paid to a TANF participant for an established trial period. Arizona follows the Federal definition of subsidized employment and currently assigns participants to this work activity.

ADES recognizes "supported work" for individuals with disabilities as subsidized employment in an integrated setting for wages consistent with those paid to non-disabled workers with similar job functions.

Describe how the State determines the number of countable hours of participation for the activity. If the State uses different methods for different services or programs within the activity the State should describe each.

Verification of the actual number of countable hours of participation is obtained through the receipt of pay stubs or other employer produced documents containing the participant's name, actual hours of participation, the name of the employer, and the name and phone number of the person verifying the hours. These documents serve as the verification of the actual hours worked and are retained in the participant's case file. Verification obtained by phone as to the actual hours of work is documented and retained in the case file.

Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.

The Jobs Program state or contracted staff obtains the verification of the actual number of countable hours of participation through pay stubs or other employer produced documents containing the participant's name, actual hours of participation, the name of the employer, and the name and phone number of the person verifying the hours. The staff verifies the actual hours worked by phone as necessary. Verification obtained by phone as to the actual hours of work will be documented and retained in the case file.

If a State intends to project forward hours of participation based on current, documented, actual hours, explain how it will make this projection.

The State projects forward hours of employment for six months based on one full payment cycle/pay period that is representative of continuing circumstances. The hours are based on written or verbal evidence received from the employer or supervisor. When there is a change in the participant's actual verified hours, the hours are recalculated and a new six-month projection is applied. If the payment cycle/pay period does not represent continuing circumstances, actual hours are used rather than projecting hours. When the full pay cycle/ pay period represents weekly hours, the actual weekly hours are used for projecting. When bi-weekly hours are represented, the hours are divided by 2 to arrive at the average weekly hours used for projecting. When semi-monthly hours are represented, the hours are divided by 2.15 and the result is used for projecting. Because some weeks have more days in one month, the Jobs Program Automated System includes the week in the calculation for the month in which the Friday falls.

Work Experience

Describe the services or programs the State includes under the activity. (Services and programs must conform to the Federal Definition of the activity).

Work experience is any supervised unpaid work in a public or private sector setting that improves the employability of an individual who is not otherwise able to obtain employment. It allows participants to develop skills, good work habits, and a current work history. Work experience is considered for participants that have been unable to find paid employment, lack of entry level skills, or need to develop current job references.

Prior to placement, potential work experience providers are evaluated to match the participant with the work that is related to the participant's employment goals. The on site supervisor or the supervisor's designee is responsible for confirming the participant attendance and progress at the work site. All participants in a work experience activity are covered by workers' compensation as mandated in Arizona Revised Statute 46-299(I). Work experience placements occur at any bona fide business, including private for-profit and non-profit organizations, as well as public agencies.

All work experience providers sign an agreement with the Jobs Program. This agreement requires the following conditions be observed and maintained as a condition of the agreement with ADES:

- Maintain records and prepare reports regarding the progress of the participant as prescribed by the Jobs Program, including written verification of attendance, including the:
 - start and end dates of the activity;
 - weekly scheduled hours;
 - skills the participant will learn and the expected competency date;
 - training methods the provider will use;

- The worksite supervisor must contact the Jobs Program case manager when concerns arise; and
- Supervision must be provided daily for all participants.

Internships/externships are also included under this core activity as a portion or extension of education or training in either the public or private sector that provides structured work experience in a specific occupational field. The ADES Internship Program provides training in a specific occupation within a division with the potential for employment opportunities within the ADES.

Describe how the State determines the number of countable hours of participation for the activity. If the State uses different methods for different services or programs within the activity the State should describe each.

The number of participation hours is determined by the hours confirmed via written verification such as time sheets, sign in – sign out logs, and written and signed statements from the work experience provider (on site supervisor or designee) substantiating the daily actual hours of participation.

Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.

At the time of placement, the Jobs Program case manager communicates to the work experience provider and the participant that weekly verification of the actual number of hours of participation through written verification must be submitted in the form of time sheets, sign in – sign out logs, and written and signed statements from the work experience provider. The written verification must include the participant's name, actual daily hours of participation, name of the work experience provider, and the name and phone number of the person verifying the hours. This written documentation serves as the documentation and verification of the participation hours and must be retained in the participant's case file. Jobs Program state or contracted staff verify the actual hours of participation by conducting monthly random reviews of daily logs, attendance records, and review of the work experience provider's signed statements, monitoring processes to ensure all information is timely, accurate, and complete. In addition, quality assurance reviews are completed no less than quarterly by the department's Program Evaluation and Monitoring (PEM) Section as part of the programmatic case review process to ensure compliance with the mandated requirements.

When the information is incomplete or written verification does not validate the activity, the actual hours of participation will not be included in the WPR.

Describe the methods of daily supervision for each unpaid work activity.

To be consistent with the universally understood definition of supervision used in the workplace, Arizona requires the work experience supervisor or the supervisor's designee to provide the supervision consisting of work related guidance and constructive criticism, mentoring,

assignment of daily work, oversight of the work assignments, and evaluation of work skills. This is documented as part of the formal agreement between the Jobs Program and the provider.

On-the-Job Training (OJT)

Describe the services or programs the State includes under the activity. (Services and programs must conform to the Federal Definition of the activity.)

On-the-job training (OJT) is training skills essential to perform a specific job that the employer, in the public or private sector has agreed to provide to a TANF participant, in exchange for a subsidy. The TANF participants in OJT must receive the same wages, benefits, and working conditions as other employees of the company who are performing comparable work. The employment must meet or exceed State and Federal minimum wage requirements. "Supported work" for individuals with disabilities may be considered OJT if on site training is included.

Describe how the State determines the number of countable hours of participation for the activity. If the State uses different methods for different services or programs within the activity the State should describe each.

Verification of the actual number of countable hours of participation is obtained through the receipt of pay stubs or other employer produced documents containing the participant's name, actual hours of participation, the name of the employer, and the name and phone number of the person verifying the hours. This includes recognized employment verification services such as TALX. These documents serve as the verification of the actual hours worked and are retained in the participant's case file. Verification obtained by phone as to the actual hours of work is documented and retained in the case file.

Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.

The Jobs Program state or contracted staff obtains the verification of the actual number of countable hours of participation through pay stubs or other employer produced documents containing the participant's name, actual hours of participation, the name of the employer, and the name and phone number of the person verifying the hours. The staff verifies the actual hours worked by phone as necessary. Verification obtained by phone as to the actual hours of work will be documented and retained in the case file.

Describe the nature of training provided by employers that distinguishes this from subsidized employment.

The OJT differs from subsidized employment by the inclusion of a training plan. The training plan is a formal, written program that contains a job description listing the skills to be learned, general employment competencies and occupational specific skills, an evaluation of the participant's progression and schedule indicating the estimated dates of completion of each skill.

If a State intends to project forward hours of participation based on current, documented, actual hours, explain how it will make this projection.

The State projects forward hours of employment for six months based on one full payment cycle/pay period that is representative of continuing circumstances. The hours are based on written or verbal evidence received from the employer or supervisor. When there is a change in the participant's actual verified hours, the hours are recalculated and a new six-month projection is applied. If the payment cycle/pay period does not represent continuing circumstances, actual hours are used rather than projecting hours. When the full pay cycle/ pay period represents weekly hours, the actual weekly hours are used for projecting. When bi-weekly hours are represented, the hours are divided by 2 to arrive at the average weekly hours used for projecting. When semi-monthly hours are represented, the hours are divided by 2.15 and the result is used for projecting. Because some weeks have more days in one month, the Jobs Program Automated System includes the week in the calculation for the month in which the Friday falls.

Job Search and Job Readiness Assistance

Describe the services or programs the State includes under the activity. (Services and programs must conform to the Federal Definition of the activity).

Job Search and Job Readiness assistance consists of activities designed to help the participant to prepare for seeking employment and obtaining employment including:

- Structured job search activities such as identifying employment opportunities, applying for employment, participating in employment interviews, and participating in Job clubs where participants share experiences, successes, and job leads and referrals. Employers are often present at job clubs to accept applications and interview prospective employees.
- Job readiness activities include workshops delivered in a classroom setting. These workshops incorporate a standardized curriculum and are designed to teach resume writing, interviewing techniques, and expectations in the work place.
- Life skills training, consisting of basic life skills to enable participants to be successful in the workforce. Activities include balancing personal life circumstances and employment obligations, budgeting, household management, interpersonal skills, decision making skills, and time management.
- Substance abuse and mental health treatment or rehabilitation activities for those who are deemed work ready. Such treatment or therapy must be determined to be necessary and certified by a licensed qualified medical or mental health professional. The Arizona Department of Economic Security and the Arizona Department of Health Services are joint administrators of Arizona Families F.I.R.S.T. (Families in Recovery Succeeding Together), which offers a continuum of community-based substance abuse treatment services to a person whose substance abuse is a significant barrier to maintaining employment and is a recipient of TANF Cash Assistance (A.R.S. § 8-881).

Describe how the State determines the number of countable hours of participation for the activity. If the State uses different methods for different services or programs within the activity the State should describe each.

Job Search will be assigned to participants as appropriate and supervised daily. The specific requirements for the weekly activity will be documented in the employment plan and case progress notes. The participant will be assigned hours in this activity for a specified time period not to exceed four continuous weeks. Participants are mandated to maintain a daily log of all related contacts. To determine the countable hours of participation, the information contained in the log must include the date of contact, type of contact, position that was available and of interest, the name of employer and contact information, and a daily record of the time spent engaging in such activities. A worksheet is currently provided to each participant that can be used to document and record the actual participation hours related to the assigned activity. The participant is required to submit the log of the daily contacts to their case manager weekly. Case managers review the logs, verify its completeness and accuracy and determine the countable hours that will be forwarded for purposes of calculating the Work Participation Rate.

Determining countable hours of actual participation in the **Job Readiness** component is done through written confirmation of attendance by life skill instructors or workshop facilitators. Determining countable hours of actual hours of participation in substance abuse treatment, mental health treatment, or rehabilitation is obtained through written confirmation of attendance from the medical professional.

Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.

Jobs Program state or contracted staff verify the actual hours of participation by conducting monthly random reviews of daily logs, attendance records, and review of the instructor's, facilitator's or medical professional's signed statements, monitoring to ensure all information is timely, accurate, and complete. In addition, quality assurance reviews are completed no less than quarterly by the Department's Program Evaluation and Monitoring (PEM) Section as part of the programmatic case review process to ensure compliance with the mandated requirements.

When the information is incomplete or written verification does not validate the activity, the actual hours of participation will not be included in the WPR.

Describe the methods of daily supervision for each unpaid work activity.

For job search activities, the Jobs Program case manager is responsible for the assignment and oversight of structured job search. Daily supervision of a job search participant means a case manager has assigned activities and ensures client time is properly accounted for. There will be daily access to the case manager or other employment service provider/worker working in collaboration with the Jobs Program case manager. The case manager or a designee will confirm the progress and monitor activity with face to face meetings with participants.

For job readiness activities, the instructor or facilitator is responsible for providing daily supervision, and for individuals participating in substance abuse or mental health treatment, supervision is provided by the treatment provider. All case managers, instructors and facilitators are required to sign off on client activities that include hours of participation, attendance, and progress reports.

If the State intends to count substance abuse treatment, mental health treatment and rehabilitation activities, describe the criteria to determine whether recipients are “otherwise employable” and establish the necessity of treatment or therapy. Describe the certification requirements for qualified medical or mental health professionals used in the process.

Arizona counts assigned hours in substance abuse treatment, mental health treatment, and rehabilitation activities as part of the job search/job readiness component. All assignments require that a qualified medical or mental health care professional attest to the employability of the participant following their examination and assessment process. The Jobs Program case manager may also determine that the participant is otherwise employable by completing an employability assessment.

A qualified medical or mental health care professional is defined as a licensed physician, registered nurse, a licensed physician’s assistant, or other personnel acting on the doctor’s behalf. The medical or mental health care provider is required to complete and sign a form indicating the type, length, and frequency of treatment. The provider will continue to monitor and document the progression and participation of the participant assigned to treatment, mental health counseling, and rehabilitative activities under job search/ job readiness assistance.

Describe how the State ensures that no more than six total weeks (four consecutive weeks) of jobs search and job readiness assistance are reported in a fiscal year (or a total of 12 weeks in States that meet the definition of a “needy State” for the Contingency Fund).

Job search and job readiness activities are limited to six weeks in a federal fiscal year or twelve weeks if the state has been identified as a “needy state” of which no more than four weeks can be consecutive in either case. Currently, Arizona meets the “needy state” definition and therefore the 12 week limit applies. A week is defined as a seven day period and the amount of actual participation in the job search/job readiness activity within that period counts as a week toward the countable limit in that activity.

Countable weeks in this activity are tracked by the use of activity codes in the automated system which identifies the activity as countable or non-countable towards the Federal Work Participation Rate. System edits have been incorporated that notify the Jobs Program case manager when the participant is nearing the activity limit and prohibits the use of this activity for purposes of Work Participation Rate calculation. Arizona further ensures the proper reporting of this activity through the systematic monitoring and case review process by case managers, supervisors, and Program Evaluation and Monitor (PEM) section monitors. In addition, a weekly automated report is produced for this monitoring process.

Community Service

Describe the services or programs the State includes under the activity. (Services and programs must conform to the Federal Definition of the activity.

Community service activities are structured programs that are for the direct benefit of the community and must be supervised. Community service activities may assist Jobs Program participants who are not able to move immediately into unsubsidized employment improve their employability skill level. The activity must be related to the participant's employment goals. Community service activities are established among public or nonprofit organizations. All participants assigned this activity are covered by ADES for workers' compensation.

For Arizona, community service activities include any of the following:

- Working with park and recreation programs;
- Assisting with local school or health service activities;
- Supervised work with faith based, small community based, and community improvement organizations; and
- Any other organizations that provide supervision for participants in activities that improve employability while offering a service to the community.

Participants will only be assigned activities within these organizations that meet both criteria under the Federal definition. Some of these job assignments include:

- Park improvement projects,
- Landscaping or grounds keeping,
- Assisting teachers,
- Cafeteria monitors,
- Healthcare support,
- Assisting with recreation activities,
- Refurbishing publicly assisted housing,
- Office assistants.

Describe how the State determines the number of countable hours of participation for the activity. If the State uses different methods for different services or programs within the activity the State should describe each.

The number of participation hours is determined by the hours confirmed via written verification such as time sheets, sign in – sign out logs, and written and signed statements from the community service provider substantiating the daily actual hours of participation.

Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.

Jobs Program state or contracted case managers verify the actual hours of participation by conducting monthly random reviews of daily logs, attendance records, and written statements from the community service provider to ensure all information is timely, accurate, and complete.

In addition, quality assurance reviews are completed no less than quarterly by the Department's PEM Section as part of the programmatic case review process to ensure compliance with the mandated requirements. When the information is incomplete or written verification does not validate the activity, the actual hours of participation will not be included in the WPR.

Describe the methods of daily supervision for each unpaid work activity.

To be consistent with the universally understood definition of supervision used in the workplace, Arizona defines supervision as an activity performed by a workplace designee which includes:

- work related guidance and constructive criticism;
- mentoring;
- assignment of daily work;
- oversight of work assignments; and/or
- evaluation of skills.

Describe how the types of community service positions that create an employer/employee relationship and are subject to the FLSA minimum wage requirements will be determined.

Arizona assigns hours in this activity that is work-based and thus a participant engaged in this activity is subject to the FLSA. Therefore participants engaged in community service for more hours than the monthly TANF cash assistance grant divided by the state minimum wage will be issued a supplemental payment for the difference.

If the state permits self-initiated community service positions, describe how it determines that the position provides a direct community service and improves the recipient's employability.

Participants may request to participate in a certain community service activity. The Jobs Program case manager will determine if the request meets the requirements outlined in this section and the site must comply with all agreements and conditions outlined above.

Vocational Educational Training (VET)

Describe the services or programs the State includes under the activity. (Services and programs must conform to the Federal Definition of the activity).

Vocational Educational Training consists of organized educational or training programs directly related to preparation of participants for employment in a current or emerging occupation requiring training other than a baccalaureate or advanced degree.

Vocational Educational Training is provided by education or training organizations which include: vocational-technical schools, community colleges, postsecondary institutions, proprietary schools, non-profit organizations, and secondary schools that offer vocational education (as long as the vocational education that is offered is not a part of a secondary school

degree). The educational or training facility must be legally authorized, accredited or recognized in Arizona as providing a program to prepare students for gainful employment.

Participation in educational activities is authorized as a short-term activity that focuses on the participant's employability; not solely on the attainment of a degree or certificate. The education or training activities are designed to attain knowledge and skills directly related to employment opportunities in a recognized occupation that does not have a high turnover or substandard wages or working conditions. The participant must remain in good standing with the institution and make satisfactory progress, as defined by the institution.

Training activities falling under the definition of VET include specific trades, occupations or vocations, such as nursing, computer repair, or welding. Adult continuing education courses including ESL and GED also fall within this activity provided they are included as part of a VET program. Post-secondary educational activities will not be authorized if the individual already possesses a self-supporting skill for jobs available in the local area.

Describe how the State determines the number of countable hours of participation for the activity. If the State uses different methods for different services or programs within the activity the State should describe each.

The number of participation hours is determined by written verification that identifies the number of actual hours the participant attended the vocational education activity each day in a week. Countable hours consist of classroom time and laboratory hours for which educational training credits are received from the accredited educational institution. Supervised structured study sessions as defined by the class curriculum at the educational institution will be counted as actual hours of participation.

Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.

Jobs Program state or contracted staff verify the actual hours of participation by conducting monthly random reviews of daily logs, attendance records, and reviews of instructors' attendance and monitoring processes to ensure all information is timely, accurate, and complete. In addition, quality assurance reviews are completed no less than quarterly by the Department's Program Evaluation and Monitoring (PEM) Section as part of the programmatic case review process to ensure compliance with the mandated requirements.

When the information is incomplete or written verification does not validate the activity, the actual hours of participation will not be included in the WPR.

Describe the methods of daily supervision for each unpaid work activity.

Faculty, instructors, instructional aides, lab supervisors, study hall supervisors, and supervisors of learning activities provide daily supervision.

Describe how the State ensures participation in vocational education training does not count beyond the statutory limitations limiting participation to 12 months per lifetime per individual.

Countable weeks in this activity are tracked by the use of activity codes in the automated system which identifies the activity as countable or non-countable towards the Federal Work Participation Rate. System edits have been incorporated that notify the Jobs Program case manager when the participant is nearing the activity limit and prohibits the use of this activity for purposes of work participation rate calculation. Arizona further ensures the proper reporting of this activity as due to the systematic monitoring and case review process by case managers, supervisors, PEM section monitors. In addition, a weekly automated report is produced for this monitoring process.

Describe how the State will ensure that basic and remedial education and English as a second language (ESL), if such activities are counted are of limited duration and a necessary or regular part of the vocational educational training.

Vocational Educational Training programs that include instruction for those that need basic and remedial education and/or English as a Second Language (ESL) are required to certify in writing that the instruction is less than 50 percent of the course and that the instruction is embedded in the vocational educational training course. In addition, Arizona retains a copy of the curriculum.

B. Supplemental Activities

Supplemental Activities will count as participation only after the first twenty hour requirement has been met in Core Activities. There are exceptions noted for certain teen participants.

Job Skills Training Directly Related to Employment

Describe the services or programs the State includes under the activity. (Services and programs must conform to the Federal Definition of the activity).

Job skills training directly related to employment are training and education for job skills required by an employer to provide the participant with the opportunity to obtain or advance employment. The training may also provide adaptation to the changing demands of the workplace. Job skills training focuses on educational or technical training and may include customized training to meet the needs of a specific employer, general training that prepares an individual for employment, or Vocational Education Training continuing after the twelve-month time limit if it meets the Job skills activity definition. Post secondary education classes taken through a State certified college or university that leads to a bachelor's or advanced degree counts as a job skills training activity when it is directly related to employment.

Supervised structured study sessions, when defined by the class curriculum at the educational institution, will be counted as actual hours of participation. This will be notated in the case file with written evidence. Faculty, instructors, instructional aides, lab supervisors, study hall supervisors, and supervisors of work-based learning activities provide daily supervision.

English for Speakers of Other Languages and Basic Education (remedial education) can be counted as long as the instruction is explicitly focused on skills for employment or combined with job training. When it is a prerequisite for employment by an employer, this activity may include education leading to a General Educational Development (GED) or a high school equivalency diploma.

Describe how the State determines the number of countable hours of participation for the activity. If the State uses different methods for different services or programs within the activity the State should describe each.

The number of participation hours is determined by written verification that identifies the actual number of hours the participant attended the activity every day of every week. Actual hours spent in class as well as time spent performing clinical requirements, or other additional activities required for approved job skills training are countable. Time spent in supervised study halls defined by the class curriculum at the educational institution is countable but unsupervised homework is not.

At least bi-weekly, the Jobs Program will obtain written verification identifying the number of actual hours the participant attended the job skills training directly related to employment activity each day in a week. The training provider and the participant sign the written verification attesting to the truthfulness of the information provided. The written verification serves as supporting documentation that the hours of participation were actually performed for the hours claimed in the activity and is maintained in the participant's case file.

Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.

Jobs Program state or contracted staff verify the actual hours of participation by conducting monthly random reviews of daily logs, attendance records, and reviews of instructors' attendance and monitoring processes to ensure all information is timely, accurate, and complete. In addition, quality assurance reviews are completed no less than quarterly by the Department's Program Evaluation and Monitoring (PEM) Section as part of the programmatic case review process to ensure compliance with the mandated requirements.

When the information is incomplete or written verification does not validate the activity, the actual hours of participation will not be included in the WPR.

Describe the methods of daily supervision for each unpaid work activity.

Faculty, instructors, instructional aides, lab supervisors, study hall supervisors, and supervisors of learning activities provide daily supervision.

Education Directly Related to Employment

Describe the services or programs the State includes under the activity. (Services and programs must conform to the Federal Definition of the activity).

Education directly related to employment is an educational program that is related to a specific occupation, job, or job offer. This includes courses designed to provide the knowledge and skills for specific or specialized occupations or work settings and may also include English for Speakers of Other Languages and Basic Education. This activity can be provided to participants who do not have a high school diploma or a GED. In addition, when it is a prerequisite for employment by an employer, this activity may include education leading to a GED or a high school equivalency diploma.

Describe how the State determines the number of countable hours of participation for the activity. If the State uses different methods for different services or programs within the activity the State should describe each.

The number of participation hours is determined by written verification that identifies the actual number of hours the participant attended the activity every day of every week. Actual hours spent in class as well as time spent performing clinical requirements, or other additional activities required for approved educational components are countable. Time spent in supervised study halls defined by the class curriculum at the educational institution is countable, but unsupervised homework is not.

At least bi-weekly, the Jobs Program will obtain written documentation that identifies the number of actual hours the participant attended the education directly related to employment activity each day in a week. The written verification must include the participant's name, the daily actual hours of participation, the name of the education provider, and the name and phone number of the person verifying the hours. The education provider and the participant sign the verification attesting to the truthfulness of the information provided. The written verification serves as supporting documentation that the hours of participation were actually performed for the hours claimed in the activity is maintained in the participant's case file.

Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.

Jobs Program state or contracted staff verify the actual hours of participation by conducting monthly random reviews of daily logs, attendance records, and reviews of instructors' attendance and monitoring processes to ensure all information is timely, accurate, and complete. In addition, quality assurance reviews are completed no less than quarterly by the Department's Program Evaluation and Monitoring (PEM) Section as part of the programmatic case review process to ensure compliance with the mandated requirements.

When the information is incomplete or written verification does not validate the activity, the actual hours of participation will not be included in the WPR.

Describe the methods of daily supervision for each unpaid work activity.

Faculty, instructors, instructional aides, lab supervisors, study hall supervisors, and supervisors of learning activities provide daily supervision.

Describe the State's criteria for "good and satisfactory progress" and when and how it is documented.

Participants must make satisfactory progress in order for their educational hours to count. The criteria for "good and satisfactory progress" includes achieving the standard required by the institution for passing the course, making progress that will allow the completion of the education program within the time limit noted on the participant's Employment and Career Development Plan, or obtaining the degree, certificate, license, or diploma as specified. Continued successful progress is documented in the participant's case file monthly when possible but no less frequently than documented completion of the course work or quarterly by using semester grade reports or mid-term evaluations, whichever comes first.

Exception: Participation in education directly related to employment for an average of twenty hours per week during a month meets the core WPR requirement for single teen custodial parents under the age of twenty who are heads of household and married teen parents under the age of twenty.

Satisfactory Attendance in High School or GED Preparation Classes

Describe the services or programs the State includes under the activity. (Services and programs must conform to the Federal Definition of the activity).

Satisfactory attendance in high school or GED preparation classes, counts as a supplemental activity when the attendance is in accordance with the requirements of the secondary school or in a course of study leading to a certificate of general equivalence, in the case of a participant who has not completed secondary school or received such a certificate.

As a condition of eligibility for TANF Cash Assistance, dependent teen children age sixteen through eighteen, who do not have a high school diploma or a GED, must participate in this activity.

Satisfactory attendance in high school or GED preparation meets the core hour requirement for the WPR for either of the following:

- Single teen custodial parents under the age of twenty who are heads-of-household; or
- Married teen parents under the age of twenty.

Describe how the State determines the number of countable hours of participation for the activity. If the State uses different methods for different services or programs within the activity the State should describe each.

The number of participation hours is determined by written verification that identifies the actual number of hours the participant attended the activity every day of every week. Actual hours spent in class as well as time spent performing clinical requirements, or other additional activities required for approved educational components are countable. Time spent in supervised

study halls defined by the class curriculum at the educational institution is countable, but unsupervised homework is not.

At least bi-weekly, the Jobs Program will obtain written verification that identifies the number of actual hours the participant attended school or GED class each day in a week. The written verification must include the daily actual hours of participation, the name of the school or provider, and the name and the phone number of the person verifying the information. The school or GED preparation provider and the participant sign the written verification attesting to the truthfulness of the information provided. The written verification serves as supporting documentation that the hours of participation were actually performed for the hours claimed in the activity is maintained in the participant's case file.

Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.

Jobs Program state or contracted staff verify the actual hours of participation by conducting monthly random reviews of daily logs, attendance records, and reviews of instructors' attendance and monitoring processes to ensure all information is timely, accurate, and complete. In addition, quality assurance reviews are completed no less than quarterly by the department's Program Evaluation and Monitoring (PEM) Section as part of the programmatic case review process to ensure compliance with the mandated requirements.

When the information is incomplete or written verification does not validate the activity, the actual hours of participation will not be included in the WPR.

Describe the methods of daily supervision for each unpaid work activity.

Faculty, instructors, instructional aides, lab supervisors, study hall supervisors, and supervisors of work-based learning activities provide daily supervision.

Describe the State's criteria for "good and satisfactory progress" and when and how it is documented.

The criteria for "good and satisfactory progress" includes achieving the standard required by the institution for obtaining the certificate or diploma and making progress that will allow the completion of the education program within the time limit noted on the participant's Employment and Career Development Plan. It is documented in the participant's case file monthly when possible but no less frequently than quarterly by using semester grade reports or mid-term evaluations.

II. HOURS ENGAGED IN WORK

Excused Absences from Scheduled Work Participation

No more than 10 days can be used as excused absences from participation hours of work activities. The absence will count against the 10-day limit regardless of whether it is a full day or part day missed. Only the days in which the participant was scheduled to participate when the absence occurred will count against the 10-day limit.

Holidays

Arizona identifies that the following 10 holidays as excused absences in which the participant was scheduled to participate may count as actual hours for the WPR:

New Years Day	January 1
Martin Luther King, Jr. Day	3 rd Monday in January
President's Day	3 rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	1 st Monday in September
Columbus Day	2 nd Monday in October
Veteran's Day	November 11
Thanksgiving Day	4 th Thursday in November
Christmas Day	December 25

When any of the holidays listed fall on a Sunday, the following Monday is observed as a holiday. Saturday holidays are observed on Friday.

FLSA Deeming

Arizona does not operate a "mini" Simplified Food Stamp program.

III. WORK ELIGIBLE INDIVIDUAL

A work eligible individual is defined as an adult or minor child head of household receiving TANF Cash Assistance or SSP-MOE assistance, or a non-recipient parent living with a child who receives TANF Cash Assistance or SSP-MOE assistance , unless the parent meets any of the following:

- A minor parent and not the head-of-household or spouse of the head-of-household;
- An alien who is ineligible to receive assistance due to his or her immigration status; or
- A recipient of Supplemental Security Income (SSI) benefits, unless the recipient is employed and is meeting the Work Participation Rate.

- A parent otherwise mandated to participate in the work activities who is providing care for a disabled family member living in the home, who does not attend school on a full-time basis, provided the need for such care is supported by medical documentation.

As part of the TANF benefit eligibility determination process, the eligibility worker identifies and verifies the relationship of the applicant and any other adult, to the dependent minor child(ren) living in the home. The relationship of the TANF applicant to the dependent minor child(ren) must be verified before the TANF benefit can be approved. Verification of relationship is usually accomplished using birth certificates or adoption records. Specific codes are used in the eligibility system to identify the relationship. System programming logic identifies the adults (or minor parents) to be included in the WPR denominator. Drug felons, fleeing felons, and SSI recipients (discussed further below) were previously classified under SSP-MOE. Programming logic is underway to ensure these cases are included in the denominator for FFY 2007 as well as future years.

SSI Recipients

Arizona will consider employed Supplemental Security Income (SSI) recipients as “work eligible individuals” and count the months they are employed toward the Work Participation Rate. In order to accurately include only the appropriate SSI recipients in the work rate denominator, the ADES will complete all of the following:

- Identify the population as a sub-group of the SSI recipients in a TANF household through a centralized reporting process cross referencing data with the TANF eligibility determination system monitored via the PEM section;
- Match the sub-group against the National Directory of New Hire report;
- Complete the necessary steps to obtain verification of employment by contacting employers or participants to obtain written verification of the actual dates of hire, hours of employment, ongoing wages; and
- Upon receipt of the verification of employment, members of the PEM section will input the participation hours in JAS and count these individuals will count toward the WPR when the minimum required number of weekly hours is met.

Caretaker of a Disabled Family Member

A parent otherwise mandated to participate in the work activities who is providing care for a disabled family member living in the home, who does not attend school on a full-time basis, provided the need for such care is supported by medical documentation is considered a “non-work eligible” individual and will be excluded from the WPR denominator. **Disabled** is defined as a physical or mental condition that is expected to last 30 days or more as supported by medical documentation. **Family Member** includes any individual living in the home that is related to parent or parents through blood, marriage, or adoption. **Attending School Full-time** is defined as attending an entire school day and does not or is not expected to miss more than the equivalent of two school days per month.

To be excluded, the caretaker must provide written verification from a medical practitioner that they are required to be the caretaker of the disabled family member. This verification must include all of the following:

- Identify, by name, the person who is to be cared for;
- Specify the period of their disability;
- Confirm that the person is not attending school full-time;
- Establish that the identified caretaker is needed full-time; and
- Provide a prognosis of the disabled family member's recovery, or the date of re-examination.

In order to accurately exclude caretakers from the WPR denominator, the case manager completes all of the following in Jobs Automated System and documents the case file at the time the case status changes:

- Change the work eligible identifier to "non-work eligible";
- Key the caretaker exemption code, including the date of re-examination;
- Monitor monthly the system generated report to identify the end date of the exclusion;
- Notify the caretaker within one month of the end of the exemption and set an appointment to ensure timely engagement in appropriate work activities as their roll as caretaker;
- Work activities are assigned by the first of the month the caretaker becomes work eligible, to ensure a full month of actual participation hours;
- Verification that states the disability is ongoing and the adult is required to care for the individual requires the case manager to set a new re-examination date.

IV. INTERNAL CONTROLS

Quality Case Reviews

The state of Arizona utilizes a standardized case review process to evaluate the quality and accuracy of the case manager's work in assigning appropriate work activities, timely completion of the follow up activities, and accurate verification, documentation and recording of the activities completed within the state's data collection system.

Supervisors are required to complete at least 30 case reviews per month for their unit. The review includes the case file, related documents and systems. A standardized case review form is completed for each case record. The results of the case reviews are compiled and the percentage of accuracy is reported each month to the case manager. Each local office compiles the data and summarized reports of the case review results are sent to the District Operations Managers on a monthly basis for monitoring of continued performance improvement.

Second level reviews are completed at the district level to validate the quality and accuracy of the case reviews that are completed by supervisors. A minimum of five second-level case reviews are completed for each supervisor each quarter. The standardized case review form is

completed for each case record. The results of the second level case reviews are compiled and reported each month to the statewide Operations Manager.

Errors identified through the case review process at either first or second level are documented on a case review form. Errors are reviewed with the case manager and assigned for correction. The case manager is given two days to complete the required corrections. The supervisor monitors to ensure appropriate corrective action is taken within the assigned due date.

Information obtained from both first and second level case reviews is utilized to identify both best practices as well as areas in need of improvement. Best practices are shared at the unit, district and statewide level in order to improve quality and accuracy throughout the state. Corrective strategies are developed when problem areas are identified. Results of corrective strategies are monitored on an ongoing basis to ensure improvement occurs.

Accuracy is included as a part of the performance expectations for case managers, supervisors and program managers. The expectation has been established as 90% accuracy for case managers and 95% accuracy for supervisors and program managers.

As appropriate information that is found to be insufficient for inclusion in the calculation of the State's Work Participation Rate will be removed. All revisions are completed within the specified reporting timeframes for submitting and resubmitting data prior to the fiscal year's final submission.

Post-Privatization

Upon the completion of the privatization initiative, the Work Verification Plan will be amended accordingly. The following is the plan underway to address internal controls at this time.

Continuous Quality Improvement (CQI) plans have been requested from each contractor. These CQI processes will vary by contractor but will achieve the same goals as both the first and second level case review processes outlined above not only to review their own work in this area but also that of any subcontractors and/or collaborators. Additionally, ADES has enhanced its contract monitoring processes and will continue to monitor the contractual compliance of the Jobs Program private contractors. The ADES has created the **Program Evaluation and Monitoring** section (PEM) which will utilize a case review monitoring tool that will focus specifically on the types of issues addressed in this section. This section, which is separate and apart from the Contracts unit, will review the Jobs Program private contractor cases at the local office level and secondary review level to evaluate the actions of the contractor case managers with regard to Federal and State regulatory compliance and review the compliance with the contractual agreements specific to the timeliness requirements and the verification of engagement in activity and outcomes. The PEM section is in the process of developing structured monitoring procedures and tools that will be used for the case reviews. They will evaluate the programmatic compliance of the Jobs Program contractors and make recommendations where findings and data indicate areas for improvement. The PEM section will also monitor compliance of all activity verification processes outlined in Arizona's

Verification Plan. The PEM section will also identify the need and provide technical assistance to the private contractors.

Unreported Employment Verification

Part of the PEM section responsibilities include identifying and capturing employment that may have been previously unknown by data-mining the National Directory of New Hires (NDNH), which includes the State Directory of New Hire (SDNH) and internal system reports generated by the ADES Employment Administration Systems Unit. The PEM section has centralized the statewide activity of data-mining the unreported client participation. The objective is to verify and capture participation hours for TANF recipients with unreported employment on the earliest date possible and when appropriate, report the verified information that could reduce the TANF Cash Assistance payment and/or close the TANF case for the first benefit month possible. When unknown employment is found in open TANF cases, the participation is captured for the Jobs Program and also the change information is reported for the eligibility of the TANF Cash Assistance case.

To ensure data integrity, the PEM staff follows specific procedures when gathering data and verifying participation hours. Each month, reports are generated that identify participants/cases that are not meeting the WPR. The report is forwarded to the local offices and monitored by the PEM section. Jobs Program case managers enter all current verified participation activity as well as participation that becomes known to them within 90 days. However, when previously unknown participation activity that occurred more than 90 days in the past is discovered and verified, the participation information is forwarded to the PEM section on the Participation Record Update Form. The PEM staff updates the JAS with the verified hours of work participation information.

The PEM section uses the National Directory of New Hires and the Unemployment Insurance Base Wage Report to “data mine” for unreported employment. The file is then converted to a mail merge that produces letters to the reporting employers. The process of letter generation and mailing is completed on a monthly basis for the new hire reports and quarterly for the Unemployment Insurance Base Wage Report.

The employer is asked to provide the following details of the employment:

- employment hire date;
- hourly wage;
- rate of pay;
- number of hours worked weekly;
- date of first paycheck
- employer health insurance provision.

When the employment has terminated, the employer also includes the termination date and the reason for termination.

When the verification of employment letter is returned, PEM staff researches the TANF case to identify the months that TANF payments were received. Every letter verifying an employment is entered into JAS, notating the name, phone number and address of the employer, hourly wage and number of hours worked per week. The hire and termination date (when applicable) are entered in the comments area, annotated with the PEM staff as the verification source. All employment participation entered by the PEM staff is verified prior to entering the data and copies of the employment letters are forwarded to the local offices to file in the participant case records while the originals are maintained on file with the PEM section.

V. VERIFICATION OF OTHER DATA USED IN CALCULATING THE WORK PARTICIPATION RATE

Under the “complete and accurate” standard for reporting, States are directed to validate all data submitted in its TANF Data Report and, if applicable, the SSP-MOE Data Report. In addition to the work activities, the following data elements are used by ADES in calculating the work participation rates. The ADES staff that input the data required for these fields document the verification used to validate this data.

Supervisory staff conducts case reading of activities by eligibility workers and Jobs Program case managers. In addition to these two steps, the Department has automated data validation procedures for each element as follows:

- Reporting Month
 - Programming logic in the Universe file ensures that the reporting month matches the data in the file associated with that month.
- Stratum
 - This field is associated with a sampling process, which the Department does not currently utilize.
- Case Number
 - The case number is a unique number assigned by the Department’s TANF eligibility automated system known as AZTECS. This is pulled into the TANF Report when the Universe runs.
- Disposition
 - This field is associated with a sampling process, which the Department does not currently utilize.
- Type of Family of Work Participation
 - This data is validated through editing on the AZTECS SEPA (Setup Participation) screen, where client participation and relationships is entered. Also, editing on the SSDO (SSN/Date of Birth/Sex) screen is used, where two parent or disability indicators are keyed. Additional information is later entered in JAS, Data Element 48, when the family participates in allowable work activities. JAS is used by Employment Administration case managers to monitor the employment and training activities of clients.
- Amount of Food Stamps Assistance

- This is validated using programmed calculations based on federal guidelines and stored in the AZTECS databases. The guidelines are included in AZTECS tables that are referenced by AZTECS to determine the amount of assistance based on income, family size, and other eligibility factors.
- Receives Subsidized Child Care
 - This information is provided by the eligibility system for the Child Care Administration (CCA) known as AZCCATS. All TANF recipients receiving child care assistance from CCA are defaulted to a yes. If no amount is provided, then a no is coded.
- Amounts of TANF (and SSP-MOE) Assistance
 - This is validated using programmed calculations based on State and Federal guidelines and stored in the AZTECS databases. The guidelines are included in AZTECS tables that are referenced by AZTECS to determine the amount of assistance based on income, family size, and other eligibility factors.
- Family Affiliation Code
 - This is established on the AZTECS SEPA screen, where participations and relationships are entered after being verified by eligibility workers. Editing is used to validate the entries.
- Non-custodial Parent Indicator
 - An indicator is entered by the worker that indicates a non-custodial parent. This indicator is stored in an AZTECS database.
- Date of Birth (Adult)
 - This data is verified through the Wire Third Party Query (WTPY) process, an interface with the Social Security Administration (SSA) used to verify social security numbers. AZTECS transmits the social security number, last and first name, date of birth and gender to SSA, who then sends a response back verifying the accuracy of this information. Any discrepancy results in an electronic alert that requires resolution by the eligibility worker.
- Relationship to Head of Household
 - This information is verified by the eligibility worker and entered on the SEPA screen. Editing on the screen is used to validate the data, which is then stored in AZTECS databases.
- Parent with Minor Child
 - Relationship information is entered on the SEPA screen after it has been verified by the eligibility worker. Specific editing exists to ensure the correct coding and validation of minor parent cases. The data is then stored in AZTECS databases.
- Work-Eligible Individual Indicator
 - This indicator is populated in JAS, based on the criteria outlined in the Final Interim Rules released in July 2006.
- Date of Birth (Child)
 - This data is verified through the WTPY process, an interface with the Social Security Administration (SSA) used to verify social security numbers. AZTECS transmits the social security number, last and first name, date of birth and gender to SSA, who then sends a response back verifying the accuracy of this information. Any discrepancy results in an electronic alert that requires resolution by the eligibility worker.

The data elements described above provide the Department with the capacity to breakout TANF families with a work-eligible individual by the case characteristics that relate to the special rules and conditions of participation, such as receipt of child care, age of child, age of adult or teen parent, number of months under a sanction, adult or teen parent with satisfactory school attendance, and families with a disabled family member (adult or child).

Programming logic in JAS and AZTECS contains systems editing that prevents eligibility workers and Jobs case managers from entering inconsistent data. When inconsistencies are discovered, systems staffs from FAA, EA, and Systems Interface and Reporting Unit (SIRU) research the data in question to determine the cause of the inconsistency. When the cause has been determined, systems staff will submit program change requests to prevent future inconsistencies in their respective eligibility systems. All pertinent findings produced through its internal control processes and the findings are maintained and will be available for review for auditing purposes.

VI. TANF REPORTING DATA FLOW PROCESS

Federal mandates require the Department to collect case record information on families receiving assistance from programs funded with TANF dollars. This data is collected for active clients and those closed for the report month. The data is collected on a monthly basis (from most source systems) and transmitted via two files to the Department of Health and Human Services on a quarterly basis. These files contain demographic and financial data that is collected from the following systems: AZTECS, JAS, AZCCATS, ATLAS and CHILDS. The Jobs Program contracted providers will use the Jobs Automated System.

The eligibility determination system, AZTECS, is the driver system for all the TANF reporting data. AZTECS determines eligibility for Cash Assistance, Food Stamps and Medical Assistance. A monthly Universe file is created from AZTECS data which includes demographic and financial data on cases that have received a benefit “in the month for the month”. Once the monthly Universe is created, the employment and child support information is added by extracting data from JAS and Division of Child Support Enforcement’s ATLAS, respectively, on a monthly basis. This process continues each month, accumulating three separate Universe files for a quarter. At the end of the quarter, a job is run to merge the monthly files into one quarterly file. After the quarterly file has been created, AZCCATS (child care) and the Division of Children, Youth, and Families’ CHILDS (foster care) data is added to the quarterly file. A preliminary file is then created, which is sent to the Family Assistance Administration Central Office for review and validation of the tribal data. Once reviewed, and any changes or discrepancies are corrected regarding the tribal data, the final quarterly Conversion file is created. This file converts required data elements into Federal values, the tribal files are then stripped off the State’s Conversion file and all final files are sent back to the Family Assistance Administration Central Office for review and transmittal.

There are very few edits/defaults once all the data has been converted to the Federal values, items such as missing county, state and zip codes are defaulted to common Arizona values; this can happen when a client who receives assistance in Arizona moves out of state in the month of

payment and the system does not recognize the out of state information. All critical data is transmitted exactly as it is recorded in the contributing systems.

Closing

The Arizona Department of Economic Security is committed to implementing all required policy, procedure and automated system changes necessary to meet the requirements of the DRA and the provisions outlined in the TANF Work Verification Plan. Arizona's statewide transition to privatized TANF case management and employment services will be completed by October 1, 2007. The full implementation of the provisions of this verification plan depends heavily on the contractors and the Department will continue to seek their input on the plan's provisions. Revision of the verification plan in the coming months may be required to accommodate the proposed procedures and best practices of the contractors that were chosen.